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ABSTRACT

The report summarizes Federal legislation for the elderly enacted into law during 1975 and 1976. The Older American Amendments, SSI cost-of-living increases, the Tax Acts of 1975 and 1976 and the Domestic Volunteer Service Act Amendments are reviewed. The report summarizes only legislation enacted into law and does not include measures passed solely by the House or the Senate, or vetoed proposals sustained by the Congress. It is noted that the 94th congress made considerable progress in matters related to the elderly, particularly in the areas of employment and housing. (Author/NWS)

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94th Congress
2d Session

COMMITTEE PRINT

ACTION ON AGING LEGISLATION IN 94TH CONGRESS

PREPARED BY THE

SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

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(II)

ACTION ON AGING LEGISLATION IN THE 94th CONGRESS

The administration and the Congress clashed often during the 94th Congress (1975-76). However, on several major matters relating to older Americans, considerable progress was made, particularly in the areas of employment for older workers, housing for the elderly, the Older Americans Act, and funding for senior citizen programs.

The U.S. Senate Committee on Aging presents a staff report [1] summarizing these actions for the elderly, practitioners in the field of aging, policymakers, and others.

OLDER AMERICANS ACT AND ACTION

Older Americans Amendments of 1975

(Enacted November 28, 1975)

Congress gave overwhelming approval to the Older Americans Amendments of 1975. Public Law 94-135 continues and expands programs (with a total authorization exceeding $1.7 billion) under the Older Americans Act, the Older American Community Service Employment Act, the Domestic Volunteer Service Act, and other legislation affecting the elderly. In addition, the act includes several innovations. Among the major provisions:

Three-Year Extension of Older Americans Act.—Programs under the Older Americans Act (including area planning and social services, model projects, training, research, multidisciplinary centers of gerontology, multipurpose senior centers, and nutrition) are continued through fiscal 1978 with nearly $1.1 billion in new authorized funding. The National Information and Resource Clearing House for the Aging is also extended through fiscal 1978.

Priority Services.—Four priority services—including transportation, legal counseling, residential repair, and in-home services—are earmarked for funding under the title III State and community programs on aging. Beginning in fiscal 1977, States must commit at least 50 percent of the increase in their allotment for planning and social services (the difference between their allotment in fiscal 1977 compared with fiscal 1975) for the four enumerated services, but in no event can this be less than 20 percent of the title III State planning and social services funding. States assuring AoA that they would use one-third of their title III allotment to provide some or all of the four priority services are exempt from either the 50-percent or 20-percent requirements.

[1] The staff report summarizes only legislation which was actually enacted into law during 1975 and 1976. A brief description, however, is provided of the 1975 and 1976 social security cost-of-living adjustments, which became effective under provisions of legislation enacted in prior Congresses. The staff report does not include bills introduced, measures passed only by the House or Senate, or vetoed proposals sustained by the Congress.

Expansion of Section 308 Model Projects.—The listing of priority services for funding under the section 308 model projects program is expanded to include (a) ombudsman services for nursing home residents; (b) improving the delivery of services for low-income, minority, Indian and limited English-speaking individuals, and the rural elderly; and (c) assisting in the establishment and operation of senior ambulatory day care centers.

Direct Funding of Indian Tribes.—Direct funding of Indian tribes is authorized under title III, provided that the Commissioner on Aging determines that (a) Indian tribe members are not receiving benefits equivalent to other older persons in the State, and (b) they would be better served through direct funding.

State Administrative Costs.—The floor for administrative costs is increased from $160,000 to $200,000 for States and from $50,000 to $62,500 for outlying territories and possessions. States which desire to receive amounts in addition to their allotments may make an application with the AoA Commissioner. The Commissioner may approve the application upon the determination that (a) the State will be unable to carry out programs effectively unless additional amounts are available, (b) the State is making full and effective use of its allotment and personnel, and (c) the State agency and area agencies on aging are carrying out, on a full-time basis, programs and activities in furtherance of the act. However, the amount a State receives may not exceed three-fourths of 1 percent of the sums allotted under the title III area planning and social service programs and the title VII nutrition program.

Surplus Commodities.—The Secretary of Agriculture is required by law to donate surplus commodities to title VII nutrition projects. Public Law 94–135 directs the Secretary of Agriculture to maintain an annually programed level of assistance of 15 cents per meal in fiscal 1976 (compared with 10 cents per meal in 1975) and 25 cents per meal in fiscal 1977. In addition, the act requires the Secretary to purchase meats and other high protein foods for the title VII nutrition program.

Training Expanded.—The title IV training program is broadened to include lawyers and paraprofessionals to (a) provide legal counseling or (b) monitor the administration of programs for older Americans. Training is also authorized for purposes of identifying legal problems affecting older persons and developing solutions for their needs.

Older American Community Service Employment Act Extended.—The Title IX Older American Community Service Employment Act is continued through fiscal 1978 with $487.5 million in new funding authority.

Maintenance of Effort for National Contractors.—The 1975 amendments direct the Secretary of Labor to reserve a sufficient sum under each year's appropriation for the title IX program to continue older worker employment programs conducted by national contractors at least at their fiscal 1975 jobs level. The remaining appropriations may be distributed to the States by a formula, taking into account the 55-plus population and a State's relative per capita income.

ACTION's Older Americans Programs.—RSVP (retired senior volunteer program), foster grandparents, and senior companions are extended through fiscal 1978 with $146.75 million in new authorized funding. The act requires the Director of ACTION to coordinate ACTION's older persons programs with the title III and title VII programs under the Older Americans Act.

Foster Grandparent-Mentally Retarded Child Relationship.—The conference report also responds to a major problem confronting the foster grandparent program— the termination of the foster grandparent relationship when a mentally retarded child reaches age 18. ACTION had issued regulations to modify this provision, allowing foster grandparents, in exceptional cases, to serve children through age 20. The conference report makes three important points: (1) Foster grandparent supportive services should be continued through age 21, not 18, as initially provided by ACTION's regulations; (2) the foster grandparent relationship should be permitted to end only when ACTION is certain that an alternative arrangement can be made, satisfactory to the needs of the foster grandparent, the child's family, and the sponsoring agency; and (3) the foster grandparent relationship must be continued if suitable alternative arrangements cannot be made.

Age Discrimination Act.—The Civil Rights Commission is directed to undertake a study concerning age discrimination in programs and activities receiving Federal financial assistance. Within 1 year after the Civil Rights Commission's report (or 2½ years after enactment of the Age Discrimination Act if the report is not submitted), the Secretary of Health, Education, and Welfare must issue regulations to prohibit discrimination on the basis of age in programs or activities receiving Federal financial assistance.

AUTHORIZATIONS FOR OLDER AMERICANS AMENDMENTS (H.R. 3922)

[In millions of dollars]

	Fiscal year 1976	Transitional quarter, July 1 to Sept. 30	Fiscal year 1977	Fiscal year 1978
Title III—Area Planning and Social Services	180	57.75	231	287.2
Title VII—Nutrition	(1)	62.50	(2)	275.0
Title IX—Community Employment	100	37.50	150	200.0
Domestic Volunteer Service Act:				
RSVP	(3)	6.00	22	22.0
Foster Grandparents	(4)	8.75	35	35.0
Senior Companions	(5)	2.00	8	8.0
Total [6]	280	174.50	446	32, 2

[1] Authorized at $200,000,000 under Public Law 93-351.
[2] Authorized at $250,000,000 under Public Law 93-351.
[3] Authorized at $20,000,000 under Public Law 93-113.
[4] Authorized at $32,000,000 under Public Law 93-113.
[5] Authorized at $8,000,000 under Public Law 93-113.
[6] Open-ended (such sums as may be necessary) for all other programs under Public Law 94-135.

Domestic Volunteer Service Act Amendments of 1976

(Enacted May 27, 1976)

Public Law 94-293, extending the international and domestic programs of ACTION through September 30, 1978, contains a provision to allow foster grandparents to continue their relationship with a mentally retarded child beyond the age of 21, as long as the child is enrolled in the program before reaching that age.

TAXATION

Tax Reduction Act of 1975

(Enacted March 29, 1975)

Public Law 94–12 was enacted to stimulate the economy in 1975. It included a number of provisions of direct benefit to aged and aging Americans, including:

Refund of 1974 Individual Income Taxes.—A refund equal to 10 percent of 1974 tax liability, with a $200 ceiling ($100 for married taxpayers filing separately), provided nearly $8.1 billion in relief for individuals in 1975. Each taxpayer received a refund of at least $100 ($50 if married and filing separately) or the full amount of his or her actual tax liability if it was less than $100. The refund was phased down as the taxpayer's adjusted gross income (gross income less trade and business deductions) rose from $20,000 to $30,000.

Increase in Standard Deduction and Low-Income Allowance.—The standard deduction increased in 1975 from 15 percent of adjusted gross income with a $2,000 maximum allowance to 16 percent with a $2,300 ceiling for single persons and $2,600 for married couples filing joint returns. The low-income allowance was also raised from $1,300 to $1,600 for single persons and $1,900 for married couples filing jointly.

Tax Credit in Addition to $750 Personal Exemption Deduction.—A $30 tax credit in addition to the $750 personal exemption was provided in 1975 for each taxpayer, spouse, and dependent.

Extension of Period for Replacing Old Residence for Nonrecognition of Gain.—The period for a taxpayer to purchase a replacement residence to defer the gain on the sale of the old residence was extended from 1 year to 18 months (either before or after the sale). Similarly, the period in which a taxpayer may construct a subsequent residence was extended from 18 months to 24 months (if construction begins within 18 months after the sale of the former residence). This provision applies to the sale of residences on or after January 1, 1975.

Tax Cut Extension Act

(Enacted December 23, 1975)

The Tax Cut Extension Act (Public Law 94–164) provided $6.1 billion in tax relief for taxpayers. Major provisions include: The 1975 individual income tax reduction was extended for 6 months (through June 30, 1976) at a level to insure that withholding rates did not rise on January 1, 1976. The low-income allowance was increased from $1,600 to $1,700 for single persons and from $1,900 to $2,100 for married persons filing joint returns. The 16-percent (of adjusted gross income) standard deduction was boosted from $2,300 to $2,400 for individuals and from $2,600 to $2,800 for couples. Individuals were given the option of claiming a credit equal to 2 percent of the first $9,000 of taxable income (up to a maximum credit of $180) or $35 for the taxpayer, spouse, and each dependent—whichever is greater.

Tax Reform Act of 1976

(Enacted October 4, 1976)

The Tax Reform Act of 1976 (Public Law 94–455) makes numerous changes in the Internal Revenue Code, including several with potentially important implications for the elderly. Among the key provisions for older Americans:

General Tax Credit.—A credit equal to the greater of $35 per personal exemption or 2 percent of the first $9,000 of taxable income is effective in 1976. No additional credit is available for age or blindness.

Standard Deduction.—The 1975 increases in the standard deduction (from 15 percent to 16 percent of adjusted gross income with a boost in the overall ceiling from $2,000 to $2,400 for single persons and $2,800 for couples filing jointly) and the minimum standard deductions (from $1,300 to $1,700 for individuals and $2,100 for couples) will become permanent in 1976.

Excludable Gain From Sale of Personal Residence.—Public Law 94–455 allows taxpayers 65 or older who sell their residences to exclude the entire gain, provided the adjusted sales price is $35,000 or less, beginning in 1977. Now the entire gain can be excluded (provided certain conditions are met) if the adjusted sales price is $20,000 or below. A pro rata amount is excludable if the adjusted sales price exceeds these amounts.

Revision of Retirement Income Credit.—The retirement income credit is restructured to include earned income, as well as retirement income. The maximum amounts for applying this 15-percent credit are boosted from $1,524 to $2,500 for single aged persons and from $2,286 to $3,750 for elderly couples (both 65 or older) filing joint returns. These maximum amounts, however, are reduced by $1 for each $2 of adjusted gross income in excess of $7,500 for a single person and $10,000 for a married elderly couple filing a joint return. Thus, the credit is no longer available for a single person with adjusted gross income of $12,500 and an elderly couple with $17,500.

Changes in Sick Pay Exclusion.—The existing sick pay exclusion is generally repealed and replaced with a maximum annual exclusion up to $5,200 for individuals under 65 who have retired on disability and are permanently and totally disabled (unable to engage in any substantial gainful activity because of a physical or mental impairment which is expected to last for at least 12 months or result in death). After age 65, these retirees will be eligible for the revised elderly credit. The maximum amount excludable must be reduced on a dollar-for-dollar basis by an individual's adjusted gross income (including disability income) in excess of $15,000 (this amount applies to individual and joint returns).

Credit for Dependent Care Expenses.—The existing itemized deduction for dependent care expenses is replaced with a tax credit equal to 20 percent of employment-related expenses (up to $2,000 for one dependent and $4,000 for two or more dependents) for the care of a child under 15 or an incapacitated dependent or spouse in order to enable the taxpayer to work. Thus, the maximum credit in 1976 is $400 for one dependent and $800 for two or more dependents.

Deduction for Cost of Removing Architectural Barriers.—Beginning in 1977, taxpayers can claim a current deduction, up to $25,000 a year, for the removal of architectural or transportational barriers for handicapped and elderly persons in business facilities and public vehicles.

Unified Estate and Gift Tax Rates.—A new single unified rate schedule for estate and gift taxes will replace the existing rates for estate and gift taxes in 1977 (the gift tax rate is now 75 percent of the estate tax rate). For 1977 and 1978, the lowest rate (after taking into account the unified credit equivalent to an exemption of $120,667) is 30 percent. The existing estate tax exemption is $60,000. The present lifetime gift tax exemption for a donor is $30,000. After 1980, the lowest rate (taking into account the fully phased-in unified credit equivalent to an exemption of $175,625) will be 32 percent.

Marital Deduction.—Public Law 94–455 increases the estate tax marital deduction for small- and moderate-sized estates passing to a surviving spouse. The allowable deduction for property passing to a spouse is the greater of $250,000 or one-half of the decedent's adjusted gross estate. With the new marital deduction and the re[illegible] exemption, only about 3 to 5 percent of all estates will be subject to Federal estate tax.

SOCIAL SECURITY

Special Payment for Social Security Beneficiaries

(Enacted March 29, 1975)

The Tax Reduction Act of 1975 (Public Law 94–12) included a one-time $50 payment ($100 for couples) for social security, railroad retiree, and supplemental security income beneficiaries. An individual received only one $50 payment if he was entitled to benefits under two or more programs. This special payment, which provided an additional $1.7 billion for 34 million persons, was nontaxable. It was disregarded in determining eligibility under any State or Federal public assistance program.

8-Percent Social Security Cost-of-Living Adjustment in 1976

(Effective Under Provisions in Public Laws 92–336 and 93–233)

Nearly 32 million social security beneficiaries received an 8-percent cost-of-living adjustment in 1975. The automatic escalator provision provided social security beneficiaries with an additional $5.5 billion in fiscal 1976. President Ford had recommended a 5-percent ceiling in his fiscal 1976 budget message. The Senate, however, adopted (by a vote of 76 to 13, on May 6, 1975) Senator Church's amendment to a bill to extend the Council on Wage and Price Stability (S. 409). The effect of the amendment was to assure enactment of the 8-percent adjustment as authorized by law, instead of the 5-percent ceiling proposed by President Ford. The social security 8-percent increase also had spillover effects for supplemental security income and railroad retirement beneficiaries. Federal SSI income standards were also increased by 8 percent, since the automatic escalator provision is pegged to the social security cost-of-living adjustment mechanism. The 1975 adjustment increased the monthly Federal SSI income standards from $146 to $157.70 for qualifying individuals and from $219 to $236.60 for couples. The social security cost-of-living adjustment was passed

through to most railroad retirement beneficiaries as an increase in their tier one benefits (the portion calculated on the basis of their combined social security-railroad retirement earnings).

6.4 Percent Social Security Cost-of-Living Adjustment in 1976

(Effective Under Provisions in Public Laws 92–336 and 93–233)

Nearly 32.6 million social security beneficiaries received a 6.4-percent cost-of-living increase on July 3, 1976. This adjustment will provide $4.9 billion in additional payments for fiscal 1977. Average monthly benefits increased from $204 to $218 for a retired worker, $348 to $372 for a retired couple, $196 to $208 for an aged widow, $228 to $242 for a disabled worker, and $447 to $475 for a disabled worker with a wife and one or more children. The minimum monthly benefit (for a worker retiring at age 65) increased from $101.40 to $107.90 for a retired worker (from $152.10 to $161.90 for a retired couple). The maximum monthly benefit for a male worker retiring in 1976 at age 65 rose from $364 to $387.30 (from $546 to $581 for a retired couple). Special age-72 payments increased from $69.60 to $74.10 a month (from $104.40 to $111.20 for a couple).

In addition, 4.4 million supplemental security income recipients (2.3 million aged and 2.1 million disabled and blind persons) will receive an additional $315 million in benefits for fiscal 1977 under the 6.4 percent cost-of-living adjustment. Monthly SSI income standards increased from $157.70 to $167.80 for qualifying individuals and from $236.60 to $251.80 for couples.

Most railroad retirement annuitants received a similar increase for their tier one benefits.

Expedite Social Security Hearings and Appeals

(Enacted January 2, 1976)

Public Law 94–202 permits the Social Security Administration to use existing supplemental security income hearing examiners to hear social security and medicare cases until the end of 1978. In addition, it makes the provisions governing hearings and judicial review under SSI virtually identical to those of the social security and medicare programs. The time limitation for a person to request a hearing after the disallowance of a claim is 60 days for social security and SSI cases—an increase from 30 days for SSI claims and a decrease from 6 months for social security claims. It is estimated that this legislation can help reduce the hearing backlog by 3,000 a month. Public Law 94–202 requires the Secretary of HEW to give at least 18 months notice of any proposed changes for payment of social security taxes by State and local governments.

SSI, MEDICAID, AND TITLE XX SOCIAL SERVICES

Food Stamp Continuation for SSI Recipients

(Enacted June 28, 1975)

Public Law 94–44 extends for 1 year (through June 30, 1976) food stamp eligibility for SSI recipients.

Continuation of Food Stamps Through June 1977 for SSI Recipients

(Enacted July 14, 1976)

Public Law 94–365 continues food stamp eligibility for SSI recipients from June 30, 1976, to June 30, 1977.

Protection for SSI Disaster Victims

(Enacted June 30, 1976)

Senator Church won approval of two amendments to Public Law 94–331 (allowing certain distributions of taxes by life insurance companies) to assure that supplemental security income recipients will not lose benefits because of a disaster. The first amendment allows SSI recipients to receive their full benefits for 6 months if they are forced to move into another's household because of a Presidentially declared disaster. An SSI beneficiary's basic monthly grant is ordinarily reduced by one-third ($55.93 for a qualifying individual and $83.93 for a couple upon moving to another's household). In addition, the Church amendment exempts from countable income assistance received because of a disaster. This action was prompted by the Teton Dam disaster in Idaho. The Church amendments apply to disasters occurring from June 1, 1976, and before December 31, 1976, in order to allow ample time to determine the potential cost for future disasters.

Group Eligibility for Title XX Social Services

(Enacted September 7, 1976)

Public Law 94–401 permits group eligibility for title XX social services when a State determines that substantially all members of a group have incomes below 90 percent of the State median income. The effect is to allow States to substitute group eligibility for individual means test in the delivery of social services to the elderly.

Prevention of One-Third Reduction in SSI Benefits for Disaster Victims

(Enacted October 4, 1976)

The Tax Reform Act of 1976 (Public Law 94–455) also includes Senator Church's amendment to permit SSI beneficiaries to receive their full grant for 18 months when they move into another person's household because of a Presidentially declared natural disaster occurring during the last half of 1976. Ordinarily a needy aged, blind, or disabled person's basic grant is reduced by one-third when he or she resides in the household of another.

SSI Provisions Included in Unemployment Compensation Amendments

(Enacted October 20, 1976)

Public Law 94–566 makes important changes in the unemployment insurance and the supplemental security income programs. Among the major amendments affecting SSI:

Institutionalization of a Spouse.—The maximum monthly Federal SSI payment for a couple (now $251.80) is reduced to $192.80 when one spouse is in a medicaid institution ($167.80 to the noninstitutionalized spouse and a $25 personal needs allowance to the spouse in the medicaid institution). The total amount payable to the couple is determined on the basis of this joint monthly income standard. Public Law 94–566 determines their income and benefit amount separately in these circumstances.

Protection of Medicaid Eligibility.—Persons entitled to medicaid because they receive SSI payments or State supplemental payments are protected from losing medicaid coverage when there is a social security cost-of-living adjustment. This provision becomes effective for benefit increases starting June 1977.

SSI Payments to Persons in Institutions.—Under prior law, State assistance furnished to an SSI recipient on the basis of need would result in the reduction of the Federal benefit unless it was furnished in the form of a cash State supplementary benefit as defined in the law. The amendment eliminates any reduction for any State assistance based on need. The amendment also modifies a provision reducing SSI benefits if a State used State-funded benefits to provide remedial care in an institution, rather than providing the care through the medicaid program. Under the amendment, this reduction would only occur if the institution was not approved as meeting the appropriate State or local standards. The amendment also eliminates a ban on SSI payments to persons in public institutions serving no more than 16 persons.

Exempt Value of Home for SSI Eligibility Purposes

(Enacted October 20, 1976)

Senator Clark and Representative Ketchum won approval of an amendment to Public Law 94–566 to exempt the value of the home for purposes of determining SSI eligibility. An individual SSI recipient's countable resources cannot exceed $1,500 ($2,250 for couples). Under prior law and regulations, the home was counted as a resource to the extent the current fair market value exceeded $25,000 for individuals living in continental United States and $35,000 for residents of Hawaii and Alaska.

Humphrey Pass-Along Amendment Adopted

(Enacted October 21, 1976)

Public Law 94–585 includes Senator Humphrey's amendment to require States that supplement SSI benefits to pass along the Federal SSI cost-of-living increases. The purpose of this measure is to assure

that a qualifying individual's total income will increase by the amount of the Federal SSI increase. However, States are allowed, as an alternative, to make changes (including reductions) in their State supplementary benefits, provided that they do not reduce their overall level of funding for the program. This provision becomes effective in July 1977.

SSI COST-OF-LIVING INCREASES

(See discussion under Social Security)

HOUSING

The Housing Authorization Act of 1976

(Enacted August 3, 1975)

Housing for the elderly was advanced with the enactment of the Housing Amendments of 1976 (Public Law 94–375). This legislation did the following:

—Authorized $2.5 billion in loan authority for the section 202 program for fiscal years 1977 through 1979. This program provides long-term direct loans to nonprofit sponsors for the purpose of developing housing suitably designed for elderly and handicapped persons. This level of funding should make possible the development of approximately 30,000 units of housing annually.

—Revised the computation of the interest rate charged by the Government to 202 sponsors. By changing the computation formula to reflect the average interest rate on all interest-bearing obligations of the United States, the interest rate charged to 202 sponsors should drop from over 8 percent to about 6.5 percent. The ultimate savings will go to the tenant in the form of lower rental costs.

—Directed HUD to use actual development cost (rather than the average cost of all comparable buildings, old or new, in the area, as was the case) in determining the section 8 contract rents for 202 projects. This will allow 202 to avoid the problems prevalent with the section 8 program, where fair market rents are too low to allow new construction.

—Provided $100 million in new construction funds for public housing. Forty percent of the heads of household of existing public housing units are elderly persons.

—Provided $60 million in modernization funds for public housing, funds which may be used to provide congregate dining facilities for elderly persons in existing public housing.

HEALTH

Health Revenue Sharing and Health Services Act

(Enacted July 29, 1975)

Public Law 94–66 includes four measures—advanced by Senators Church, Muskie, and Moss—for older Americans. The Church amendment authorizes an $8 million demonstration program for fiscal 1976

to establish new home health agencies and to expand services of existing units. The Muskie amendment creates a nine-member Committee on Mental Health and Illness of the Elderly to conduct a study and make recommendations concerning (a) the future needs for mental health facilities, manpower, research, and training; (b) providing appropriate care for elderly persons in mental institutions; and (c) implementing the recommendations of the White House Conference on Aging to improve mental health care for the elderly. The first Moss amendment authorizes funds to schools of nursing to provide in-service training programs for nursing home aides and orderlies. The second Moss amendment authorizes funding to train nurse practitioners in geriatrics to provide primary care in nursing homes.

Medicare Deadline Amendments

(Enacted December 31, 1975)

Public Law 94–182 (the medicare deadline amendments) made several changes in medicare. Among the key provisions:

(1) Prevailing charges for physician fees in fiscal 1976 would not be less than in fiscal 1975.

(2) The Secretary of HEW's authority is extended for 3 years to grant temporary waivers of nurse staff requirements in small hospitals in rural areas.

(3) A technical error in the 1973 Social Security Amendments is corrected to permit annual changes in the part B premium, beginning on July 1, 1976. That adjustment could not, however, exceed the social security cost-of-living percentage increase (8 percent) in July 1975. This enabled the monthly part B premium to rise from $6.70 to $7.20 in July 1976.

(4) A provision in the 1972 Social Security Amendments is repealed, requiring the Federal Employees Health Benefits (FEHB) program to be rewritten to provide supplementary benefits for persons who have medicare eligibility. Otherwise, medicare would no longer serve as the primary payor of benefits. The effect of the change is that medicare would continue as the primary payor of benefits without requiring any change in the FEHB program. Federal retirees were also protected from a major premium increase in January 1976.

(5) The 1967 Life Safety Code requirements applicable to medicare and medicaid skilled nursing facilities are replaced with the 1973 edition of the code. However, facilities currently qualified under the 1967 code, or State codes approved by the Secretary of HEW, would not lose their eligibility for participation in medicare and medicaid.

(6) The Secretary of HEW is directed to conduct a 4-month study of the appropriateness of reimbursement under medicare for diagnostic services performed by optometrists on patients whose eye lens have been removed because of cataract surgery.

Health Maintenance Organization Amendments of 1976

(Enacted October 8, 1976)

The Health Maintenance Organization Amendments of 1976 (Public Law 94–460) provided a 1-year extension of the authority for home health demonstration projects and the Committee on Mental

Health and Illness of the Elderly, established under Public Law 94–66 (see discussion under Health Revenue Sharing and Health Services Act). The Church-Kennedy amendment authorizes $10 million for the development or expansion of home health agencies and $5 million for the training of professional and paraprofessional personnel to provide home health services. The Muskie amendment grants the Committee on Mental Health and Illness of the Elderly an additional year to submit its report. Additional time is needed because the administration named the nine committee members less than 2 months before the deadline date for completing the report.

Office of Inspector General

(Enacted October 15, 1976)

Public Law 94–505 establishes an Office of Inspector General in the Department of Health, Education, and Welfare. The President will appoint the Inspector General with the advice and consent of the Senate. The Inspector General is responsible for conducting and supervising audits, investigating program operations, and preventing fraud and abuse in HEW's programs. Special emphasis will be directed at eliminating fraud and abuse in the medicare and medicaid programs.

EMPLOYMENT

National Employ the Older Worker Week

(Enacted April 21, 1976)

Public Law 94–275 authorizes the President to designate the week beginning March 13, 1977, as "National Employ the Older Worker Week."

Emergency Jobs Programs Extension Act

(Enacted October 1, 1976)

Public Law 94–444 provides a 1-year extension (through fiscal 1977) of the title VI emergency public services jobs program (Comprehensive Employment and Training Act). In addition, it directs that one-half of the jobs that become vacant because of attrition must be filled by individuals who (a) have been unemployed longer than 15 weeks, (b) have exhausted their unemployment insurance benefits, or (c) are receiving Aid for Families with Dependent Children. The act also includes a Senate amendment (sponsored by Senators Williams, Kennedy, Randolph, and Nelson) to direct sponsors of employment projects to give special consideration to alternative working arrangements—including flexible hours, shared time, and part-time jobs—particularly for older persons and parents with young children.

Public Works and Economic Development Act Amendments

(Enacted October 12, 1976)

Public Law 94–487 continues the programs under the Public Works and Economic Development Act for 3 years with a $4.9 billion authorization. Of special significance for the elderly, the 1976 Amendments

continue the title X job opportunities program. Funding for title X would be triggered when the unemployment rate is 7 percent or greater during the preceding calendar quarter. Nearly 65,000 jobs can be provided under the maximum annual authorization of $325 million.

REVENUE SHARING

Revenue Sharing Amendments of 1976

(Enacted October 13, 1976)

Public Law 94–488, extending general revenue sharing through September 30, 1980, includes three changes which will directly benefit State and Federal programs for the elderly. The new law (1) repeals a prohibition on the use of revenue-sharing funds as matching money for other Federal programs; (2) strengthens nondiscrimination provisions of the law by adding a prohibition against discrimination on the basis of age, effective upon implementation of the Age Discrimination Act of 1975 (Public Law 94–135); and (3) strengthens requirements for elderly participation in decisions regarding allocation of funds by directing that State and local governments shall endeavor to include senior citizen groups with an opportunity to be heard prior to the final allocation of any funds.

VETERANS

Veterans' Compensation and Survivor Benefit Act of 1975

(Enacted August 5, 1975)

The Veterans' Compensation and Survivor Benefit Act of 1975 provided an increase in benefits for 2.2 million disabled veterans and 390,000 survivors. Public Law 94–71 included the following major provisions: (1) a 10-percent increase in compensation payments for veterans with disabilities rated up to 50 percent and a 12-percent raise for disabilities of 60 percent or greater; (2) a 12-percent increase in indemnity and compensation payments for widows and children; and (3) a $25 boost in the annual clothing allowance (from $150 to $175) for disabled veterans who wear or use prosthetic or orthopedic appliances (including a wheelchair) which tends to wear out clothing. The increases were effective August 1, 1975.

Veterans' and Survivors' Pension Adjustment Act of 1975

(Enacted December 23, 1975)

Public Law 94–169 provided a temporary 8-percent increase in non-service-connected disability pensions for veterans and their widows, effective from January 1976 (for checks delivered in February) through September 30, 1976. The Veterans' and Survivors' Pension Adjustment Act also raised the countable income standards from $3,000 to $3,300 for qualifying individuals and from $4,200 to $4,500 for veterans or widows with dependents.

Veterans' and Survivors' Pension Adjustment Act of 1976

(Enacted September 30, 1976)

Public Law 94–432 (1) makes permanent an 8-percent pension increase enacted into law in 1975 (which was scheduled to expire on October 1, 1976; (2) provides a 7-percent pension hike (for checks delivered in February 1977); (3) raises the annual countable income limitations (from $3,300 to $3,540 for veterans and widows without dependents and from $4,500 to $4,760 for veterans and widows with dependents) to provide protection against loss of VA pensions because of the 6.4 percent social security cost-of-living adjustment; (4) provides a 25-percent added differential in pension rates for veterans 78 or older; (5) increases the aid and attendance allowance from $69 to $74 a month for widows and dependent parents and from $133 to $155 a month for veterans; and (6) directs the Veterans' Administration to submit recommendations to the Congress to assure a level of income for eligible veterans and widows at or above the minimum standard of need.

Veterans' Disability Compensation and Survivor Benefits Act of 1976

(Enacted September 30, 1976)

Public Law 94–433 provides an 8-percent increase in compensation payments for veterans with service-connected disabilities and their dependents. The act also increases the annual clothing allowance from $175 to $190 for veterans with a disability that causes clothing to wear out or tear.

RETIREMENT INCOME

Allotments or Assignments From Civil Service Annuity

(Enacted December 23, 1975)

Public Law 94–166 permits an individual entitled to a civil service annuity to make allotments or assignments of amounts from his or her annuity for purposes that the Civil Service Commission considers appropriate.

Enrollment by Surviving Spouse in Civil Service Health Benefits Plan

(Enacted July 6, 1976)

Public Law 94–342 permits a surviving spouse whose civil service annuity was terminated because of remarriage to enroll in a civil service health benefits plan upon restoration of the spouse's annuity if the spouse was covered by a civil service health benefits plan at the time the annuity was terminated.

Elimination of 1-Percent Add-On for Civil Service Annuitants

(Enacted October 1, 1976)

The Fiscal 1977 Legislative Branch Appropriations Act (Public Law 94–440) includes a provision to eliminate the 1-percent add-on for civil service annuitants. The act provides a new method of computing adjustments semiannually on the basis of the actual cost-of-living increase. The computation will be made each January and July. Annuity checks reflecting the cost-of-living adjustments will be mailed no later than April (for the January computation) and October (for the July computation).

CRIME CONTROL

Crime Control Act of 1976

(Enacted October 15, 1976)

Public Law 94–503 amends the Omnibus Crime Control and Safe Streets Act of 1968 to insure that the problem of crimes against the elderly is addressed by comprehensive planning and adequate funding. The importance of this new emphasis was underscored by a victimization survey released by the Department of Justice in 1976 which revealed that, for many categories of "street crime," the rate of victimization was rising at a much higher rate for citizens 65 and older than for the general population.

The Crime Control Act requires that each State establish a planning agency which is charged with developing a comprehensive plan for the improvement of law enforcement and criminal justice, coordinating State activities, and establishing priorities. The plan developed by this agency must meet certain criteria for the State to be eligible for Federal anticrime funding. One of those requirements is that the plan must provide for the development of programs and projects to prevent crimes against the elderly, unless the State planning agency makes an affirmative finding that this requirement is inappropriate. The qualifying language is intended only to prevent a misallocation of resources where it can be shown that there is no substantial problem involving crime against the elderly in a State. The grants for elderly crime prevention apply to both permissive and mandatory sections of the act.

In addition to the above requirement, the act establishes an Office of Community Anti-Crime Programs within the Law Enforcement Assistance Administration (LEAA). This Office is charged with providing: (1) technical assistance to community and citizens groups to enable them to apply for grants (coordinating its activities with other Federal agencies and programs), and (2) information about successful programs to citizen and community groups. Advocacy groups representing older citizens should be able to use the Office's resources to assure that the crime-related problems of the elderly

are adequately addressed within their communities. They should also be aware that the State planning agency is required by the act to assure that citizen and community organizations participate at all levels of the planning process.

LEAA is extended by the act through fiscal year 1979, with $880 million authorized for fiscal 1977 and $800 million for each of the succeeding 2 years.

CONSUMER PROTECTION

Equal Credit Opportunity Act Amendments

(Enacted March 23, 1976)

Public Law 94–239 prohibits credit discrimination against credit applicants because of race, color, religion, national origin, sex, marital status, or age. A creditor is permitted, however, to inquire about an applicant's age if the purpose is to determine the amount and probable continuance of income levels. The law also requires creditors to respond to credit applications within 30 days and entitles any applicant who is refused credit to a statement of specific reasons for denial.

Consumer Product Safety Commission Improvements Act

(Enacted May 11, 1976)

Public Law 94–284 includes a provision directing the Consumer Product Safety Commission to consider the special needs of elderly and handicapped persons to determine whether they would be adversely affected by the promulgation of any rule.

REMOVAL OF ARCHITECTURAL BARRIERS

Public Buildings Cooperative Use Act of 1976

(Enacted October 18, 1976)

Title II of the Public Buildings Cooperative Use Act of 1976, Public Law 94–541, amends the Architectural Barriers Act of 1968 to extend the scope of that law and to strengthen its effective implementation and enforcement. The 1968 act established as national policy that Federal buildings be accessible to those 18 million Americans—a large percentage of whom are elderly—who require special design features in order to utilize these structures. The 1976 amendments incorporate the recommendations of a General Accounting Office study which found that both the letter and spirit of the law were being violated.

The Public Buildings Cooperative Use Act imposes a clear statutory mandate that the Federal agencies named in the act insure accessibility. The law's coverage is extended to include all Government-leased buildings intended for public use or in which the handicapped might be employed, all private structures leased by the Federal Government for public housing, and the U.S. Postal Service. The act requires that (1) the General Services Administration issue an annual report on the status of the Architectural Barriers Act activities,

(2) the named Federal agencies establish a system of continuing surveys to insure compliance, and (3) the Architectural and Transportation Barriers Compliance Board report to the appropriate congressional committees during the first week of each January on its activities and actions to insure compliance with the prescribed standards.

FUNDING FOR OLDER AMERICANS ACT

[In millions of dollars]

	Fiscal 1976	Transitional quarter (July 1 to Sept. 30, 1976)	Fiscal 1977
Older Americans Act:			
Title III:			
Social services	93	31.25	122
Model projects	13.8	2.5	12
Administration	17.035	4.25	17
Title IV:			26.5
Training	10	4	(1)
Research	8	2	(1)
Gerontology centers	1	1	(1)
Title V: Senior centers	0	5	20
Title VII:			
Nutrition	125	31.25	203.525
Operating level	(187.5)	(187.5)	(225)
Federal Council on Aging	.575	.150	.575
Total	268.11	81.4	401.6
Title IX: Senior employment	[2] 55.5	(2)	[3] 90.6

[1] Amounts not specified in the fiscal 1977 Labor-HEW Appropriations Act. However, the Administration on Aging plan to allocate $14,200,000 for training, $8,500,000 for research, and $3,800,000 for multidisciplinary centers of gerontology
[2] Funding is available from July 1, 1976, to June 30, 1977.
[3] Funding is available from July 1, 1977, to June 30, 1978.

FUNDING FOR OTHER AGING PROGRAMS

[In millions of dollars]

Program or act	Fiscal 1976	Transitional quarter (July 1 to Sept. 30, 1976)	Fiscal 1977
National Institute on Aging	19.388	4.048	30
Community schools	3.553	0	3.553
Domestic Volunteer Service Act:			
SVP	17.5	4.708	19
Foster Grandparents	28.347	3.410	34
Senior Companions	3.58	1.353	3.8
Community Services Act:			
Senior Opportunities and Services	10	2.5	10
Community Food and Nutrition	26.2	6.55	27.5
Age Discrimination in Employment (enforcement)	2.215	.561	2.289
Service Corps of Retired Executives	.485	.158	1.3

FUNDING FOR KEY HUD PROGRAMS AFFECTING ELDERLY

[In millions of dollars]

Program	Fiscal 1976 and transitional quarter (July 1 to Sept. 30, 1976)	Fiscal 1977
Sec. 202: Housing for the Elderly	750	750
Public Housing:		
New construction	[1] 0	85
Modernization	20	35

[1] No contracts were entered into in fiscal year 1976 for new public housing units. However, outlays may have been made by HUD for previous commitments.